http://www.game-maps.net/ren/modding/ssle.gif

You are not copying the dll file correct into your \scripts\ folder
from leveledit moddir then.

This script will change the character to an sbh, they will not
keep their weapons.

"mod" POW_Stealth_Suit
on settings tab enable "Always allow grant"
on scripts tab add "s_stealth_suit"

It works...

[edit]You dont have to enter any parameters, just put the script
in the scripts tab on pow_stealth_suit and save presets, thats it.

Only you have to make the sbh drop the suit when they get killed,
you can use KAK_Drop_Object_Death for this.

[edit2]Are you renaming it to scripts.dll? And is bhs.dll and scripts2.dll present in \scripts\ folder as
well?

Copy bhs.dll and scripts2.dll from the server to the scripts folder if they are missing.